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United States Senate

WASHINGTON, DC 20510

May 10, 2011

The Honorable Ashton B. Carter
Under Secretary
Defense for Acquisition, Technology and Logistics
The Pentagon
Washington, DC 20301-3010

Dear Mr. Under Secretary:

I am following up on the conversation we had recently. I appreciate your taking the time to speak with me. As you may recall, we discussed the Department of Defense's (DoD) future plans for the F136 competitive engine, including what these plans would mean for lowering costs, ensuring the best engine possible, and working with Congress this year as deliberation on this issue continues. We also discussed our nation's domestic industrial base, the Lima Tank Plant, and the definition of "produced" as it relates to specialty metals and steel armored plate.

I am extremely disappointed that you chose to terminate the F136 engine program. The F136 is the only engine that was designed specifically for the F-35 Joint Strike Fighter. The project is more than 75 percent complete and is the only hedge against the F135 engine program, which you stated last week is not performing up to its expectations. I was pleased to learn that the Fighter Engine Team is willing to self-fund the F136 development program for the remainder of Fiscal Year 2011 and Fiscal Year 2012 so long as they can have access to the equipment and testing facilities needed to continue their work on the engine. This is an unprecedented step towards acquisition reform on the Joint Strike Fighter program. I am hopeful that you will support this approach.

As you know, I filed an amendment to the National Defense Authorization Act that would clarify the definition of "produced" in this context to mean armored plate steel melted in the United States. The modification of this definition would not affect the ability of qualifying countries to supply DoD with steel armor plate or material intended to be converted into steel armor plate. I respectfully request that you keep me informed on the Administration's proposed rule to clarify this issue.

We also discussed at length the U.S. Army's proposal to end the M1A2 Abrams tank modernization. I want to reiterate my concern that this would be detrimental to our military and our nation's defense industrial base. This drastic step would jeopardize our nation's ability to produce tanks while ensuring costs skyrocket in future procurement years. Maintaining a steady stream of production - DoD's long-standing policy - would safeguard our industrial capacity should we need to increase production in a short period of time. It would also lower the costs of future procurements.

Ending M1A2 Abrams tank modernization, would jeopardize the highly-skilled, high-wage workforce that makes up the unique armor industrial base in Ohio, Michigan, Pennsylvania, and Alabama. In addition, over 600 subcontractors around the United States would be affected, and it is estimated that 15 percent of critical vendors would close their facilities.

Eliminating this program would also bode poorly for U.S. taxpayers. It is estimated that closing down and laying away our nation's Abrams manufacturing capability would cost approximately \$1.6 billion. In contrast, building 70 tanks per year until 2016 would cost \$1.4 billion. Lastly, the Army has not budgeted for the additional costs of closing down and there is no certainty that this critical manufacturing base could even be reconstituted when needed.

The Army has been building tanks since 1941. Abandoning tank production has been proposed and rejected in the past. It should be rejected again.

I look forward to working with you on these important matters.

Sincerely,

Sherrod Brown

United States Senator